

**Income and Exclusions**

1. Annual income includes any amounts monetary or not, which go directly to, or on behalf of any family member.
  - a. True
  - b. False
2. Imputed welfare income included in the determination of annual income includes the amount of welfare benefits that have been reduced due to the expiration of a lifetime or other time limit on the payment of welfare benefits.
  - a. True
  - b. False
3. Lump-sum Social Security and SSI payments are included in annual income.
  - a. True
  - b. False
4. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire is excluded from annual income.
  - a. True
  - b. False
5. A tenant family residing in Public Housing can only switch from paying flat rent to income-based rent at their annual recertification.
  - a. True
  - b. False
6. The head of a tenant family receives monthly welfare benefits of \$500. She enrolls in a qualifying State employment training program and begins to receive monthly training income of \$800, and her welfare benefits stop. What amount of monthly income would you include for this family member?
  - a. 0
  - b. \$300
  - c. \$500
  - d. \$800
  - e. \$1,300

7. Which of the following statements is NOT true of the earned income disallowance in Public Housing?
- a. A qualified family includes a family residing in Public Housing whose annual income increases as a result of increased earnings of a family member during participation in any economic self-sufficiency or other job-training program.
  - b. For 12 cumulative months, a qualified family member will receive a full exclusion of the increase in annual income as a result of earnings.
  - c. For 12 cumulative months, a qualified family member will receive a phase-in exclusion of 50% of the increase in annual income as a result of earnings.
  - d. The disallowance of increases in income as a result of employment does not apply for purposes of admission to the program.
  - e. A PHA must provide Individual Savings Accounts as an alternative to the disallowance of increases in income as a result of employment.
8. Annual income includes:
- a. Earnings of a 17-year (not head of household or spouse) who is no longer in school
  - b. Interest from a savings account of a 6-year old child
  - c. Amounts received under a Plan to Attain Self-Sufficiency (PASS)
  - d. Resident service stipend
  - e. Medical expenses reimbursed to the family

**Assets and Asset Income**

9. The net cash value of assets is used to determine the imputed asset income.
- a. True
  - b. False
10. The HUD passbook rate is published annually in the *Federal Register*.
- a. True
  - b. False
11. If the net cash value of all assets exceeds \$5000, use the greater of imputed asset income or anticipated income to determine the final asset income.
- a. True
  - b. False
12. An asset that has been disposed of for less than fair market value is included:
- a. For two years from the date it was disposed of
  - b. By calculating the difference between market value and actual amount received
  - c. When disposal was due to a separation or divorce
  - d. All of the above
  - e. Both a and b

13. Assets do not include:
- a. Certificates of Deposit
  - b. Interest in Indian Trust lands
  - c. Coin collection held as an investment
  - d. Savings account of a minor
  - e. Stocks and bonds

**Adjusted Income**

14. The adjusted income is calculated by subtracting deductions from the annual income.
- a. True
  - b. False
15. The allowable disability assistance expense is the amount of the expense that is in excess of 3% of the annual income for the member of the family who is a person with disabilities.
- a. True
  - b. False
16. In order for a family to qualify for medical expenses the family must be a disabled family or an elderly family.
- a. True
  - b. False
17. Disability assistance expenses are allowed if they enable a family member to work, seek work, or attend school.
- a. True
  - b. False
18. Childcare expenses included are the amounts paid by the family for the care of children under 14 years of age.
- a. True
  - b. False
19. Childcare expenses are only allowed if they enable a family member to work or attend school.
- a. True
  - b. False

20. The dependent allowance is:
- a. \$400 for each household
  - b. \$400 per dependent
  - c. \$480 for each household
  - d. \$480 per dependent
  - e. None of the above
21. The elderly/disabled family allowance is:
- a. \$400 for any elderly or disabled family
  - b. \$400 for each person who is elderly or disabled
  - c. \$480 for any elderly or disabled family
  - d. \$480 for each person who is elderly or disabled
  - e. \$400 for the first family member who is elderly or person with disabilities, then \$480 for each person thereafter
22. Which of the following statements is not true of child care expenses?
- a. The expense must enable a family member to work, seek work, or attend school
  - b. Child care expenses for foster children residing in the home are included
  - c. The expense must be reasonable as determined by the PHA
  - d. Only unreimbursed amounts are to be included as a deduction
  - e. All of the above statements are true

## HCV AND PUBLIC HOUSING PRE-TEST

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Review the family described below, and mark the letter corresponding to the correct answer to each of questions 23 through 25 on your answer sheet.

Head age 49  
Spouse age 45, with disability  
Mother of head age 68  
Daughter age 24, full time student  
Son age 22  
Son age 16  
Granddaughter age 2  
Live-in aide age 38

23. Which family member(s) qualifies the family for an elderly/disabled allowance?
  - a. Spouse age 45, with disability
  - b. Mother of head age 68
  - c. Live-in aide age 38
  - d. Both a and b
  - e. None of the above
24. Of the following family members, who gets a dependent allowance?
  - a. Mother of head age 68
  - b. Daughter age 24, full time student
  - c. Son age 16
  - d. Both a and c
  - e. Both b and c
25. Whose medical expenses can be used to calculate the medical deduction (or allowance) for this family?
  - a. Spouse age 45, with disability
  - b. Son age 22
  - c. Son age 16
  - d. Granddaughter age 2
  - e. All of the above

**Rent Concepts**

- 26. Total Tenant Payment (TTP) is always 30% of adjusted monthly income.
  - a. True
  - b. False
- 27. The payment standard for the housing choice voucher program is the maximum subsidy.
  - a. True
  - b. False
- 28. Utility allowances are based on the actual amount paid by the family for utilities that are not included in the rent.
  - a. True
  - b. False
- 29. A utility reimbursement payment must be paid directly to the family.
  - a. True
  - b. False
- 30. PHAs must adopt minimum rent hardship exemption policies.
  - a. True
  - b. False
- 31. Public Housing residents elect annually whether to pay an income-based rent or a flat rent.
  - a. True
  - b. False
- 32. The utility allowance used in the housing choice voucher program is based on the actual size of the unit selected by the family.
  - a. True
  - b. False
- 33. In the Housing Choice Voucher Program, the PHA adopts a payment standard schedule within the basic range of:
  - a. 80% to 100% of the published FMR
  - b. 90% to 110% of the published FMR
  - c. 100% to 120% of the published FMR
  - d. None of the above

## HCV AND PUBLIC HOUSING PRE-TEST

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34. For a family that holds a 4-bedroom family unit size voucher but selects a 3-bedroom unit, the payment standard to be used is:
- The 3-bedroom payment standard from the PHA's schedule
  - The 4-bedroom payment standard from the PHA's schedule
  - The gross rent for the family's 3-bedroom unit
  - The rent to owner for the unit selected by the family
  - The amount determined by the PHA's rent reasonableness methodology
35. The maximum family share at initial occupancy in the housing choice voucher program, when the gross rent exceeds the payment standard, applies:
- At any time the owner and family enter into a new lease agreement
  - Whenever the owner is requesting a rent increase
  - At each annual recertification conducted
  - For new admission families or when the family moves
  - All of the above
36. For a Public Housing resident paying flat rent, a recertification of family income must be conducted at least:
- Once a year
  - Every two years
  - Every three years
  - Every four years
  - At the discretion of the PHA
37. A Public Housing resident who is paying a flat rent but has a hardship, may switch to an income-based rent under which circumstances?
- Reduction of employment or other income
  - Death in the family
  - Increase in expenses such as medical or child care
  - In accordance with PHA policy
  - All of the above
38. The PHA must establish a minimum rent of:
- \$25
  - \$50
  - \$100
  - Any amount from 0 up to \$50
  - Any amount from 0 up to \$100
39. Which type of family below would receive prorated assistance?
- Elderly family
  - Disabled family
  - Displaced family
  - Mixed family
  - Family as determined by the PHA

### **Rental Integrity Monitoring and Verification**

40. What is the primary purpose of a RIM Review?
- To help PHAs improve their application and waiting list process
  - To help PHAs improve performance by reducing income and rent errors
  - To train PHA staff on HUD rules and regulations
  - None of the above
41. Which of the following are appropriate RIM follow-up activities?
- Issue report to PHAs summarizing the results of the RIM review
  - Conduct on-site follow-up reviews
  - Provide technical assistance and/or training to PHA staff, including regular contact with PHAs to ensure progress is being made in correcting errors
  - Require PHAs to develop an improvement plan that identifies strategies and timeframes for correcting findings, deficiencies, errors, etc.
  - All of the above
42. Which of the following are up-front income verification sources?
- State Wage Information Collection Agency (SWICA)
  - Tenant Assessment Sub-System (TASS)
  - Credit Bureau Association (CBA) Credit Reports
  - a and b only
  - all of the above
43. What are the benefits of using up-front income verification techniques?
- It relies on information provided by an independent source rather than on information sources declared by the family.
  - It reduces the possibility of falsified verifications
  - It provides an incentive for participants to accurately report all sources of income
  - All of the above
44. The preferred order for obtaining verification of income, assets and allowances is:
- Family declaration or certification, review of documents provided by family, third party written or oral, up-front verifications
  - Review of documents provided by family, third party written or oral, family declaration or certification, up-front verifications
  - Up-front verifications/third party written, third party oral, review of documents provided by family, family declaration or certification

**HOUSING CHOICE VOUCHER CASE STUDY –**

Use the provided HUD – 50058 forms to calculate the following case study. Mark the letter for the correct answer on your Scantron answer sheet. Credit will not be given for answers only listed on the 50058.

Cubzide City PHA is conducting an annual recertification for the Mathew family. Marilyn Mathew and her 3 children reside in a 3-bedroom unit that rents for \$1075. The unit has a \$135 Utility Allowance. Ms. Mathew works full time in a clothing store earning \$7.35 per hour. Ms. Mathew pays \$75 per child weekly to have someone come in to care for her two minor children. The care for Mary is necessary in order for Marilyn to work and is not reimbursed by another source. Marilyn also receives \$250 monthly child support for her daughters. Marcus is a full time student at the City College and earns \$175 weekly working in a bookstore. Due to Mary's disability, Marilyn receives \$500 a month State Developmental Disability Care Payments. Marilyn has a savings account with a balance of \$2,700 and an annual interest rate of 2%. She also has a retirement account (IRA) with a balance of \$6,800, which has an early withdrawal penalty of \$350. The IRA has an annual interest rate of 2.6%. After review of the tenant file, staff knows the following:

	NAME	D/O/B	DISABLED	SSN
HEAD	Marilyn Mathew	05/05/62	N	115-22-9003
SON	Marcus Mathew	10/11/82	N	115-84-9908
DAUGHTER	Mary Mathew	08/24/87	Y	115-99-2828
DAUGHTER	Marcia Mathew	12/05/94	N	115-18-6734
Family Unit Size:	3			
Family Not Portable				
Family Not FSS Participant				
Security Deposit:	\$500			
Payment Standard:	\$1200			
PHA's Minimum Rent:	\$25			
HUD Approved Passbook Rate:	2.25%			
Most Recent TTP	\$243			

Based on this information, answer the questions 45 through 50:

45. Total Annual Income
- a. \$18,768
  - b. \$18,999
  - c. \$24,768
  - d. \$27,388
  - e. \$33,388

## HCV AND PUBLIC HOUSING PRE-TEST

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46. Imputed Asset Income
- a. \$206
  - b. \$214
  - c. \$231
  - d. \$238
  - e. \$247
47. Total Allowances
- a. \$4,860
  - b. \$5,340
  - c. \$7,230
  - d. \$8,670
  - e. \$9,240
48. Total Family Contribution
- a. \$133
  - b. \$258
  - c. \$268
  - d. \$942
  - e. 0
49. Total Housing Assistance Payment
- a. \$942
  - b. \$952
  - c. \$1,075
  - d. \$1,200
  - e. \$1,210
50. Family Rent to Owner
- a. 0
  - b. \$123
  - c. \$133
  - d. \$258
  - e. \$1,075

Head of household name	Social Security Number	Date modified (mm/dd/yyyy)
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## 6. Assets

6a. Family member name	No.	6b. Type of asset	6c. Calculation (PHA use)	6d. Cash value of asset	6e. Anticipated Income
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
6f, 6g. Column totals				\$ 6f.	\$ 6g.
6h. Passbook rate (written as decimal)					0. _____ 6h.
6i. Imputed asset income: 6f X 6h (if 6f is \$5,000 or less, put 0)					\$ 6i.
6j. Final asset income: larger of 6g or 6i					\$ 6j.

## 7. Income

7a. Family member name	No.	7b. Income Code	7c. Calculation (PHA use)	7d. Dollars per year	7e. Income exclusions	7f. Income after exclusions (7d minus 7e)
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
				\$	\$	\$
7g. Column total						\$ 7g.
7h. Reserved						
7i. Total annual income: 6j + 7g						\$ 7i.

### 7b: Income Codes

<b>Wages:</b> B = own business F = federal wage HA = PHA wage M = military pay W = other wage	<b>Welfare:</b> G = general assistance IW = annual imputed welfare income T = TANF assistance	<b>SS/SSI/Pensions:</b> P = pension S = SSI SS = Social Security	<b>Other Income Sources:</b> C = child support E = medical reimbursement I = Indian trust/per capita N = other nonwage sources U = unemployment benefits
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Head of household name	Social Security Number	Date modified (mm/dd/yyyy)
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## 8. Expected Income Per Year

8a. Total annual income: copy from 7i	\$	8a.
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### Permissible Deductions (Public Housing Only. If Section 8, Skip to 8f or 8q)

8b. Family member name	No.	8c. Type of permissible deduction	8d. Amount
			\$
			\$
			\$
8e. Total permissible deductions			\$ 8e.

### If head/spouse/co-head is under 62 and no family member disabled, skip to 8q

8f. Medical/disability threshold: 8a X 0.03	\$	8f.
8g. Total annual unreimbursed disability assistance expense (if no disability expenses, skip to 8k)	\$	8g.
8h. Maximum disability allowance: If 8g minus 8f is positive or zero, put amount	\$	8h.
	If negative and head/spouse/co-head is under 62 and not disabled, put 0	\$ 8h.
	If negative and head/spouse/co-head is elderly or disabled, copy from 8g	\$ 8h.
8i. Earnings in 7d made possible by disability assistance expense	\$	8i.
8j. Allowable disability assistance expense: lower of 8h or 8i (if 8g is less than 8f and head/spouse/co-head elderly or disabled, copy from 8h)	\$	8j.
8k. Total annual unreimbursed medical expenses (if head/spouse/co-head under 62 and not disabled, put 0)	\$	8k.
8m. Total annual disability assistance and medical expense: 8j + 8k (if no disability expenses, copy from 8k)	\$	8m.
8n. Medical/disability assistance allowance:		
	If no disability assistance expenses or if 8g is less than 8f, put 8m minus 8f (if 8m minus 8f is negative, put zero)	\$ 8n.
	If disability assistance expenses and 8g is greater than or equal to 8f, copy from 8m	\$ 8n.
8p. Elderly/disability allowance (default = \$400)	\$	8p.
8q. Number of dependents (people under 18, or with disability, or full-time student. Do not count head of household, spouse, co-head, foster child/adult, or live-in aide).		8q.
8r. Allowance per dependent (default = \$480)	\$	8r.
8s. Dependent allowance: 8q X 8r	\$	8s.
8t. Total annual unreimbursed childcare costs	\$	8t.
8u. Total annual travel cost to work/school (Indian Housing only)	\$	8u.
8v. Reserved		
8w. Reserved		
8x. Total allowances: 8e + 8n + 8p + 8s + 8t + 8u	\$	8x.
8y. Adjusted annual income: 8a minus 8x (if 8x is larger, put 0)	\$	8y.

Head of household name	Social Security Number	Date modified (mm/dd/yyyy)
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## 9. Total Tenant Payment (TTP)

9a. Total monthly income: $8a \div 12$	\$	9a.
9b. Reserved		
9c. TTP if based on annual income: $9a \times 0.10$	\$	9c.
9d. Adjusted monthly income: $8y \div 12$	\$	9d.
9e. Percentage of adjusted monthly income: use 30% for Section 8		9e.
9f. TTP if based on adjusted annual income: $(9d \times 9e) \div 100$	\$	9f.
9g. Welfare rent per month (if none, put 0)	\$	9g.
9h. Minimum rent (if waived, put 0)	\$	9h.
9i. Enhanced Voucher minimum rent	\$	9i.
9j. TTP, highest of lines 9c, 9f, 9g, 9h, or 9i	\$	9j.
9k. Most recent TTP	\$	9k.
9m. Qualify for minimum rent hardship exemption? (Y or N)		9m.

Head of household name	Social Security Number	Date modified (mm/dd/yyyy)
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## 12. Section 8 Vouchers

12a. Number of bedrooms on Voucher	12a.
12b. Is family now moving to this unit? (Y or N)	12b.
12c. Does the family qualify as a Hard to House family? (Y or N)	12c.
12d. Did family move into your PHA jurisdiction under portability? (Y or N) (if no, skip to 12g)	12d.
12e. Cost billed per month (put 0 if absorbed)	\$ 12e.
12f. PHA code billed	12f.
12g. Housing type: <div style="display: inline-block; width: 150px; border: 1px solid black; height: 20px; margin: 2px;"></div> Group home (prorate gross rent) <div style="display: inline-block; width: 150px; border: 1px solid black; height: 20px; margin: 2px;"></div> SRO: 1 room occupied by 1 person <div style="display: inline-block; width: 150px; border: 1px solid black; height: 20px; margin: 2px;"></div> Own manufactured home, lease space	
12h. Owner name	12h.
12i. Owner TIN/SSN	12i.
12j. Payment standard for the family	\$ 12j.
12k. Rent to owner	\$ 12k.
12m. Utility allowance, if any	\$ 12m.
12n. Reserved	
12p. Gross rent of unit: 12k + 12m (or Space Rent)	\$ 12p.
12q. Lower of 12j or 12p (if Premerger Voucher contract, see Instruction Booklet)	\$ 12q.
12r. TTP: copy from 9j	\$ 12r.
12s. Total HAP: 12q minus 12r	\$ 12s.
<b>Rent Calculation (if prorated rent, skip to 12ab)</b>	
12t. Total family share: 12p minus 12s	\$ 12t.
12u. HAP to owner: lower of 12k or 12s	\$ 12u.
12v. Tenant rent to owner: 12k minus 12u	\$ 12v.
12w. Utility reimbursement to family: 12s minus 12u, but do not exceed 12m	\$ 12w.
<b>Prorated Rent Calculation</b>	
12aa. Reserved	
12ab. Normal total HAP: copy from 12s, but do not exceed 12p	\$ 12ab.
12ac. Total number eligible	12ac.
12ad. Total number in family	12ad.
12ae. Proration percentage: 12ac ÷ 12ad	12ae.
12af. Prorated total HAP: 12ab X 12ae	12af.
12ag. Mixed family total family contribution: 12p minus 12af	\$ 12ag.
12ah. Utility allowance: copy from 12m	\$ 12ah.
12ai. Mixed family tenant rent to owner: 12ag minus 12ah	\$ 12ai.
	\$ 12ai.
12aj. Prorated HAP to owner: 12k minus 12ai. If 12ai is negative, put 12k	\$ 12aj.
12ak. Reserved	